

CITY OF NORWICH
CORONAVIRUS AID RELIEF & ECONOMIC SECURITY (CARES ACT) FUNDING
COMMUNITY DEVELOPMENT BLOCK GRANT – CDBG-CV
APPLICATION FOR FUNDING - PUBLIC SERVICE
AMENDED PROGRAM YEAR 2019-2020 (PY 45)

RECEIVED

MAY 21 REC'D

70

DUE: May 21st 2020 4:00 PM IN OFFICE OF COMMUNITY DEVELOPMENT

Office of Community Development
23 Union Street, 2nd floor • Tel (860) 823-3770 • Fax (860) 823-3715

E-mail addresses:

kcrees@cityofnorwich.org (Community Development Director)
tcurtis@cityofnorwich.org (Program Assistant)

PART I: GENERAL INFORMATION

AGENCY: CITY OF NORWICH - COMMUNITY DEVELOPMENT OFFICE

LEGAL NAME
(If different from Agency)

ADDRESS: 23 UNION STREET
NORWICH, CT 06360

E-MAIL: kcrees@cityofnorwich.org

EXECUTIVE DIRECTOR:

CONTACT NAME & TITLE: Kathryn M. Crees, Community Dev. Director

TELEPHONE: 860-885-2911 EMAIL: kcrees@cityofnorwich.org

AGENCY FISCAL YEAR: September 1 August 31
Begin End

PROJECT NAME: SMALL BUSINESS ASSISTANCE - CDBG CV

CDBG REQUEST & AWARD AMOUNTS:

	REQUEST	AWARD
UPCOMING FISCAL YEAR (September 1, 2020 – August 31, 2021)	\$ <u>N/A 225,000</u>	\$ _____
CURRENT FISCAL YEAR (September 1, 2019 – August 31, 2020)	\$ _____	\$ _____

The information contained herein and attached as exhibits hereto is, to the best of our knowledge and belief, true, correct and complete and that the City of Norwich can rely upon these statements in determining whether to fund this project. We certify that the Agency Board of Directors has approved this application.

John L. Salomone
EXECUTIVE DIRECTOR/DEPT. HEAD (SIGN)
PRINT NAME
DATE: 5/20/20

Kathryn M. Crees
PRESIDENT, BOARD OF DIRECTORS (SIGN)
Kathryn Crees
PRINT NAME
DATE: 5/19/2020

A1. BRIEF HISTORY

1. The City of Norwich Office of Community Development (CD Office) has been in existence for 46 years. During this time the CD Office has provided numerous programs ranging from Economic Development, Infrastructure, Property Rehabilitation, Weatherization, Demolition and Public/Social Services.

The Office administers Community Development Block Grant Funds and Lead Hazard Control funds and currently is staffed by the Community Development Director, Program Manager, Program Assistant and Outreach Coordinator.

2. The hours of operation are Monday – Friday 8:30-4:30. Currently, during the COVID-19 era we are open Monday through Friday with some staff working part of the week remotely.

3. Our current staffing within the CD Office is 4 FT employees.

4. The HR Department is responsible for compliance with Section 504 of the Rehabilitation Act of 1973 – Nondiscrimination under Federal Programs.

5. YES – the City receives more than \$500,000 of Federal Funding.

B. STATEMENT OF NEED

1. Grants will be offered to small businesses to address their needs as specifically related to the loss of revenue or additional expenses occurring due to their preparation, prevention or response to COVID-19. Numerous small businesses in the City have been negatively impacted by the required closures or partial closures of their businesses since March 19th. During this time we have heard from many businesses and Economic Development professionals that businesses will struggle to survive this time and may not be able to re-open as the orders are lifted. There is a need to provide funds to help stabilize the businesses and ensure that we do all that is necessary to assist in their ability to provide services to the City of Norwich.

2. Small Business Assistance is provided through local banks providing Paycheck Protection Program funds. However, the demand on these funds have been exceptionally high, and resulted in numerous businesses being locked out of the first round of funding. We will seek to provide gap funding for businesses and not duplicate services being offered through other means.

3. Under this program, the City will provide emergency funds to business negatively affected by the COVID-19 OUTBREAK. Businesses with twenty-five (25) or fewer employees will be eligible to apply for funds, which will be used to pay for normal business expenses that have been made more difficult due to declining revenues caused by the COVID-19 outbreak.

C. The program will provide a minimum funding amount of \$5,000 and maximum of \$25,000 in funds under this program. These funds will be COVID-19 Emergency forgivable loan. This loan will have a three year term at 0% interest rate. IF your business is able to retain at least ONE low or moderate income employee for the first three months after the receipt of loan funds then the loan will be completely forgiven. IF your business is unable to provide such documentation, it will not be deemed to have met the requirements to enable forgiveness, however repayment will be deferred for the first twelve (12) month period after the loan is administered. Businesses will begin monthly loan repayments on month 13. After repayment begins, businesses will have two (2) years to complete full repayment of the loan.

The CD Office will work with local businesses, Norwich Community Development Office, local banks, the Mayors' office, Norwich Public Utilities and any other interested entities to coordinate this funding.

d. Consolidated Planning – this meets the City of Norwich 5 year plan is economic development.

e. This is a new program for the City as the COVID-19 funding has just been announced by HUD in April of 2020. The hours of operation will be Monday – Friday 8:30-4:30 and applications for these funds will be available online.

We anticipate assisting between 10 – 20 businesses.

D. FUNDING QUESTIONS

1. If the CDBG funding that you are requesting will leverage funding from another source, please note the amount and source of leveraged funding. Have these additional funds been secured at the time of this application. If not, what actions are you taking to apply for them? **We do not anticipate leveraging funds from other sources.**

2. If you do not receive the amount of funds requested from CDBG, how do you propose to administer and/or complete the project in the manner presented and how will this affect your service population?

Less funding would require us to provide less assistance to businesses and could result in closure of some small businesses.

3. What items would you reduce/eliminate from your budget if the City wanted to (only) partially fund your application? **NONE**

E. OTHER

1. List other agencies that provide similar services and identify those with which you collaborate. If services are similar, please elaborate on what makes this service unique. **Due to the uniqueness of COVID-19 and the subsequent Executive Order closures there are no other agencies providing forgivable loans.**

2. Is your request for continuation of a previously-funded CDBG program? a. If yes, indicate if you have pursued funding from other sources, who those sources are/were and what are/were the results b. If no, please state the reason(s) why. **New programming due to COVID-19**

F. SECTION 3 REQUIREMENTS The work to be performed under any contract utilizing CDBG funding may be subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons. Please review page 15, "Section 3 Contractor Affidavit". Please note that if funding is approved, your contract may be required to review, implement and report on employment activities relating to Section 3 requirements.

OUTCOME: JOBS ARE RETAINED

Long term Outcome: Jobs Are Retained	2020 ANTICIPATED
NUMBER OF BUSINESSES PARTICIPATING	10-20
TOTAL NUMBER ACHIEVING OUTCOME	8-18
PERCENT WHO ACHIEVE OUTCOME	80%

ADDRESSING THE NATIONAL OBJECTIVE

Does your program:



Address the needs of low- and/or moderate-income residents (see income chart below)?
AND/OR



Serve seniors; severely disabled adults; homeless; battered spouses; abused/neglected children and youth; illiterate adults; migrant farm workers, persons living with HIV/AIDS and persons who use food banks or meals programs.

FY 2020 Income Limit Area	FY 2020 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Norwich-New London, CT HUD Metro FMR Area	Very Low (50%) Income Limits	\$35,950	\$41,050	\$46,200	\$51,300	\$55,450	\$59,550	\$63,650	\$67,750
	Extremely Low Income Limits	\$21,600	\$24,650	\$27,750	\$30,800	\$33,300	\$35,750	\$39,640	\$44,120
	Low (80%) Income Limits	\$54,950	\$62,800	\$70,650	\$78,500	\$84,800	\$91,100	\$97,350	\$103,650

PROGRAM BENEFICIARY OUTCOME STATISTICS:

Attach additional sheets for every outcome related to the funded program

STAFFING RESOURCES: Identify every person involved in the implementation and administration of the program. Use the chart below and additional sheets if necessary. Please refer to page 15 regarding Section 3 to determine if you are or will be a Section 3 concern. If you are/will meet Section 3 criteria, it will be mandatory for you to complete the attached Section 3 documentation.

Position/Title	Salary Range	CDBG Portion of Salary	Full-Time or Part-Time?	Hired As a Result of Funding? (Y/N)
K Crees, Director	80,000	100%	ft	n
T Curtis, Prog Asst.	60,000	100%	ft	n

PART III: BUDGET INFORMATION

A. AGENCY FINANCIAL DATA

SUPPORT & REVENUE	Current	Anticipated
	FY 19-20	FY 20-21
Program fees		
Other Grants including foundations		
Donations		
CDBG		225,000
General Fund		
State & Federal Grants		
Other Revenue (specify)		
TOTAL REVENUE		
EXPENSES	Current	Anticipated
	FY 19-20	FY 20-21
Salaries		
Employee Benefits		
Payroll Taxes		
Professional Fees & Services		
Operations / Phones /Postage		
Insurance (other)		
Equipment Rental, Maintenance & Acquisition		
Printing & Publication		
Travel / Conferences/Conventions		
Legal Fees		
Vehicle-Lease / Repair		
Other expenses (specify)		
TOTAL EXPENSES		
BALANCE (total revenue less expenses)		

B. PROGRAM SPECIFIC FINANCIAL DATA

SUPPORT & REVENUE	CDBG-Funded Portion	Non-CDBG Funded Portion	% of CDBG Funds used for Program
Program Fees			
Other grants/foundations (non-government)			
Donations			
CDBG			
General Fund			
State Government			
Federal Government			
Other Revenue (specify)			
TOTAL REVENUE			

EXPENSES	CDBG-Funded Portion	Non-CDBG Funded Portion	% of CDBG Funds used for Program
Salaries			
Employee Benefits			
Payroll Taxes			
Professional Services (incl. accounts and attorneys)			
General Operations & Supplies (incl. Overhead and Printing)			
Travel / Conferences			
Vehicle Expense			
Other Expenses (specify)			
TOTAL EXPENSES			
BALANCE (total revenue less expenses)			

PART IV: SUPPLEMENTAL INFORMATION:

All agencies (except City of Norwich Agencies) must submit all of the following documentation with their application whether or not you have previously received CDBG funds through the City of Norwich.

EXHIBIT 1 Financial Statement and Audit

Describe the agency's fiscal management including disbursement methods, financial reporting, record keeping, accounting principles/procedures and audit requirements. Include a copy of the agency's last completed audit.

EXHIBIT 2 Insurance/Bond/Worker's Compensation

State whether or not the agency has liability insurance coverage, in what amount and with what insuring agency.

State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and State Law.

**CDBG-CV-19 CITY OF NORWICH, CONNECTICUT APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
2019-2020 AMENDED PROGRAM YEAR**

Federal, State, and City law prohibits employees and public officials of the City of Norwich from participating on behalf of the City in any transaction in which they have a financial interest. This questionnaire must be completed and submitted by each applicant for Community Development Block Grant (CDBG) funding. The purpose of this questionnaire is to determine if the applicant, or any of the applicant's staff, or any of the applicant's Board of Directors would be in conflict of interest.

1. Is there any member(s) of the applicant's staff or any member(s) of the applicant's Board of Directors or governing body who is or has/have been within one year of the date of this questionnaire (a) a City employee or consultant, or (b) a City Council member, or (c) a member of the Community Development Advisory Committee (CDAC) member? Yes No

If yes; list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person or CDAC member
Kathy Crees	Director	employee
Tianne Curtis	Program Asst.	employee
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. Will the CDBG funds requested by the applicant be used to award a subcontract to any individual(s) or business affiliate(s) who is/are currently or has/have been within one year of the date of this questionnaire a City employee, consultant, City Council person or Community Development Advisory Committee member?

Yes No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person or CDAC member
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CDBG-CV-19 CITY OF NORWICH, CONNECTICUT APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE (cont.)

3. Is there any member(s) of the applicant's staff or member(s) of the applicant's Board of Directors or other governing body who are business partners or family members of a City employee, consultant, City Council person, Community Development Advisory Committee member?

Yes No

If yes, please identify below the City employee, consultant, or Council member with whom each individual has family or business ties.

Name of member	Name of City employee, Consultant, City Council member, CDAC member	Indicate type of tie (Family or Business)	If family, indicate relationship

Have you read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 (attached)?

NAME OF APPLICANT REPRESENTATIVE

SIGNATURE OF ABOVE REPRESENTATIVE

DATE

Section 3 Contractor Affidavit (SAMPLE)

A Section 3 Business Concern is a business or organization that:

- Is 51 percent (51%) or more owned by section 3 residents; or
- Has permanent, full-time employees at least 30 percent (30%) of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
- Has a commitment to subcontract in excess of 25 percent (25%) of the dollar award of all subcontracts to be awarded to such businesses describe above

This is to certify that:

Business Name (Print)

- Is a Section 3 Business Concern (Please read, review and implement necessary items in document entitled "Section 3 Requirements")
- Is **NOT** a Section 3 Business Concern, but the contract for work will require my business or sub-contractor to hire, train, or educate a new employee. (Please read, review and implement necessary items in document entitled "Section 3 Requirements")
- Is **NOT** a Section 3 Business Concern, and the contract for work will **NOT** require my business or sub-contractor to hire, train or educate a new employee. (No further action is necessary unless an employee is hired during the contract period)

Authorized Signer

Date

Print Name